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TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1209.
FILED, NOVEMBER 23rd. 1964.

McWATTERS GOLD MINES, LIMITED

Full corporate name of Company
Incorporated under The Dominion Companies Act by Letters Patent
dated November 16, 1932.
Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous
Filing Statement No. 825.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Underwriting and option agreement (Item 6).
2. Head office address and any other office address.	Suite 509, 25 Adelaide Street West, Toronto 1, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director: S. A. PERRY, Apt. 712, 1 Benvenuto Place, Toronto 7, Ontario. Corporate Secretary and Professional Mining Executive. Vice-President & Director: W. W. WEBER, 1 Stratheden Road, Toronto 12, Ontario. Consulting Geologist. Secretary-Treasurer & Director: G. D. PATTISON, 235 Dawlish Avenue, Toronto 12, Ontario. Corporate Secretary and Professional Mining Executive. Asst. Sec. Treas. & Director: R. D. BELL, 7 H1 Mount Drive, Willowdale, Ontario. Corporate Secretary and Professional Mining Executive. Director: HARLOW H. WRIGHT, 105 St. Leonard's Avenue, Toronto 12, Ontario. Mining Engineer.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: \$5,000,000 divided into 5,000,000 shares of no par value. Issued and outstanding: 3,682,506 shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	By agreement dated November 20, 1964 between the Company and Dobieco Limited acting on its own behalf, conditional upon the acceptance for filing hereof (the effective date), the Company has agreed to sell to Dobieco Limited 200,000 treasury shares at the price of 90¢ per share payable within one day after the effective date, and has agreed to grant options on an additional 800,000 treasury shares exercisable as follows: 200,000 shares at 90¢ per share within 3 months of the effective date; 200,000 " at \$1.00 " " " 6 " " " " " 200,000 " " \$1.25 " " " 9 " " " " " 200,000 " " \$1.50 " " " 12 " " " " "
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	H. W. Knight, Jr., H. W. Knight and G. W. Gooderham, all of 25 Adelaide Street West, Toronto, Ontario, are the only persons having a greater than 5% interest in Dobieco Limited.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company intends to continue its exploration program including diamond drilling on mining claims located in Langmuir Township, Porcupine Mining Division, Ontario, and the proceeds from the sale of its treasury shares (Item 6) will be used for this purpose and for administrative expenses incurred in the ordinary course of business. The said proceeds will not be used for any other purpose without prior notice having been accepted for filing by the Toronto Stock Exchange (see Item 19).

SCHEDULE "A".

During the latter part of the year 1961 the Company and Quebec Manitou Mines Limited each as to a one-half interest acquired under a grubstake arrangement 55 unpatented mining claims located in Langmuir Township, Porcupine Mining Division, Ontario, numbered P.50838 to P.50891 inclusive and P.51181, at a total cost of \$1,786.66. Claim P.51181 was subsequently dropped, leaving 54 claims. Pursuant to an agreement dated May 31, 1962 made between the Company, Quebec Manitou Mines Limited and Michael Zurowski, it was agreed as follows:

- 1) that the Company shall have sole management of all operations related to the mining claims;
- 2) that the Company and Quebec Manitou shall share equally the costs of holding, managing, exploring and developing the said mining claims and that in the event either party did not pay its one-half share of such costs when due, the interest of the respective parties in the mining claims would be adjusted in the same ratio as their respective contributions to the total costs, provided that any such interest would not reduce below 10%;
- 3) that so long as either the Company or Quebec Manitou retains any interest in the mining claims, the party which has not paid its full one-half share of the costs and whose interest has decreased accordingly, shall have the right to reinstate its share of the full interest in the mining claims to an equal share by paying to the other party the amount of defaulted contributions plus an additional amount equal to 50% of all such defaulted contributions by way of penalty;
- 4) that if the results of exploratory work on the mining claims justify the sinking of a shaft and underground exploration, Zurowski, or his nominee, shall be entitled to receive 100,000 vendor's shares in the capital of a new company which may be formed to acquire the claims, or if title to the mining claims is held either by the Company or Quebec Manitou, he shall be entitled subject to the requirements of the Toronto Stock Exchange, to receive shares of either the Company or Quebec Manitou to the total value of \$50,000.00 or at the option of the Company and/or Quebec Manitou the sum of \$50,000.00.

During 1961 and 1962 an exploration program on the said mining claims was carried out by the Company consisting of geophysical and geological surveys and a total of 8,694 feet of diamond drilling was completed. This work indicated a small sub-economic deposit of nickel-bearing material and further exploration work was suspended. The total cost of the exploration work referred to amounted to \$61,555.50 which was paid for by the Company. Quebec Manitou paid to the Company only \$5,702.00 in contributions towards such costs and the additional amount of \$884.33 being one-half of the staking costs of the claims. No other contributions have been received from Quebec Manitou and its interest in the said mining claims has accordingly reduced to a 10% interest. To restore its interest to a 50% interest, Quebec Manitou is required to pay to the Company \$37,613.62 representing the deficiency in its contributions plus a penalty of 50%.

In October of 1964 the Company decided to resume diamond drilling on the claims in Langmuir Township and at the same time the Chairman of Quebec Manitou was asked whether or not Quebec Manitou wished to reinstate its interest in the said claims to a 50% interest and participate in the further drilling program. The Company was advised verbally that Quebec Manitou, since it was without sufficient funds, could not reinstate its interest or participate in the further drilling program. Subsequently, the Company offered to refund to Quebec Manitou the total of \$6,586.33 previously contributed by it in consideration for relinquishing to the Company its 10% interest in the mining claims. Payment of this amount has been tendered by the Company to Quebec Manitou.

FINANCIAL STATEMENTS

MCWATTERS GOLD MINES LIMITED
(Incorporated under The Companies Act of Canada)

BALANCE SHEET

October 31, 1964

- ASSETS -

Current assets:


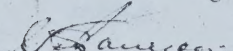
Government of Canada bonds, at cost	50,000.00	
Interest bearing deposit with broker	52,010.36	
Accounts receivable	<u>1,072.89</u>	103,083.25
Shares in other mining companies, at cost less amounts written off		332,655.63
Investment in affiliated company		
Shares, at cost	49,089.76	
Advances	<u>6,781.00</u>	55,870.76
Property, at cost		
55 unpatented mining claims in the Township of Langmuir, Ontario	1,768.66	
60 mining claims in Township 1408, Quebec	<u>3,600.00</u>	5,368.66
Deferred development expenditures, per statement		<u>93,272.61</u>
		<u>\$590,250.91</u>

- LIABILITIES -

Current liabilities:

Bank overdraft	1,851.62	
Accounts payable and accrued liabilities	<u>3,070.98</u>	4,922.60
Shareholders' equity:		
Capital Stock:		
Authorized, 5,000,000 shares of no par value		
Issued and fully paid:		
For property 1,025,000 shares	110,000.00	
For cash 2,657,506 shares	<u>1,007,170.04</u>	
	<u>1,117,170.04</u>	
Deficit, per statement	<u>531,841.73</u>	<u>585,328.31</u>
		<u>\$590,250.91</u>

APPROVED:

 Director
 Director

STATEMENT OF DEFERRED DEVELOPMENT EXPENDITURES

For the ten month period ended October 31, 1964

	Balance December 31, 1963	Expenditures During Period	Written off To Deficit	Balance October 31, 1964
Township of Blondeau	8,088.64		8,088.64	
Township of Malartic	11,263.66	87.50	11,351.16	
Township 1408				
Survey		2,822.40		2,822.40
Drilling		14,198.55		14,198.55
Linecutting		2,498.50		2,498.50
Consulting		2,959.58		2,959.58
Transport		713.60		713.60
Supplies	6.77	875.46		882.23
Wages		2,427.50		2,427.50
Assays		367.00		367.00
Government fees	80.00	40.00		120.00
	86.77	26,902.59		26,989.36
Township of Langmuir				
Survey	8,125.00			8,125.00
Drilling	33,357.23	2,818.10		36,175.33
Linecutting	2,830.00			2,830.00
Consulting	8,762.96	500.00		9,262.96
Transport	2,023.16	477.16		2,500.32
Assays	2,976.94	140.25		3,117.19
Supplies	1,057.93	13.17		1,071.10
General	1,869.40	291.50		2,160.90
Participant's balance	<u>(5,702.00)</u>	<u>5,702.00</u>		
	55,300.62	9,942.18		65,242.80
General				
Consulting		1,025.00		1,025.00
General		<u>15.45</u>		<u>15.45</u>
		1,040.45		1,040.45
	<u>\$74,739.69</u>	<u>\$37,972.72</u>	<u>\$19,439.80</u>	<u>\$93,272.61</u>

McWATTERS GOLD MINES LIMITED

STATEMENT OF ADMINISTRATIVE EXPENSES

For the ten month period ended October 31, 1964

Administration fees.	5,000.00
Directors' fees.	1,500.00
Legal and audit.	140.00
Registrar and transfer agents' fees.	483.04
Office and general expense	822.90
	7,945.94
Deduct: Interest earned	2,260.41
Net expenses for the period	5,685.53

STATEMENT OF DEFICIT

For the ten month period ended October 31, 1964

Balance, December 31, 1963	494,966.40
Add:	
Mining claims and options abandoned	11,750.00
Exploration and development expenses thereon . .	19,439.80
Net administrative expenses for the period . . .	5,685.53
Balance, October 31, 1964	\$531,841.73

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the ten month period ended October 31, 1964

Source of funds

Interest earned	2,260.41
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Application of funds

Purchase of mining claims	2,084.33
Development expenditures.	37,972.72
Administrative expenses	7,945.94
	48,002.99

Decrease in working capital during period	\$45,742.58
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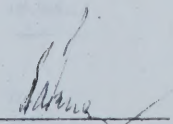
Decrease in working capital consists of

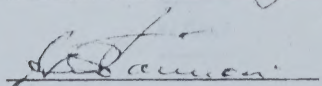
Working capital as at December 31, 1963. . .	
Cash.	18,060.81
Government of Canada bonds	50,000.00
Interest bearing deposit with broker	76,249.95
Accounts receivable	1,250.00
	145,560.76
Less Accounts payable and accrued liabilities	1,657.53
	143,903.23

Deduct

Working capital as at October 31, 1964. . .	
Government of Canada bonds	50,000.00
Interest bearing deposit with broker	52,010.36
Accounts receivable	1,072.89
	103,083.25
Less Bank overdraft.	1,851.62
Accounts payable and accrued liabilities. .	3,070.98
	4,922.60
	98,160.65
	\$45,742.58

APPROVED:

 Director

 Director

November 23, 1964

The President and Directors
McWatters Gold Mines Limited
509 - 25 Adelaide St. West
Toronto, Ontario

Re: Langmuir Township Property
Province of Ontario

Gentlemen:

The current program of diamond drilling on the company's property situated in Langmuir Township commenced October 23, 1964. One vertical hole numbered 64-1 was completed to a depth of 1102.0 feet and a second vertical hole numbered 64-2 was drilling at a depth of 755 feet. Hole 64-2 is 100 feet N70°E from 64-1.

Complete assay results for hole 64-1 are as follows:

<u>From</u>	<u>To</u>	<u>Core Length</u>	<u>% Nickel</u>
44.0	101.2	57.2 feet	0.234
101.2	102.2	1.0 "	1.710
102.2	117.2	15.0 "	0.266
117.2	137.2	20.0 "	0.757
137.2	230.0	92.8 "	0.456
230.0	320.0	90.0 "	0.780
320.0	405.0	85.0 "	0.384
405.0	415.0	10.0 "	2.317
415.0	495.0	80.0 "	0.097
495.0	500.0	5.0 "	1.070
500.0	555.0	55.0 "	0.317
555.0	570.0	15.0 "	0.88
570.0	705.0	135.0 "	0.354

or taking larger individual sections

44.0	415.0	371.0 feet	0.545
490.0	705.0	215.0 "	0.396

Assay results received up to the present time for hole 64-2 are as follows:

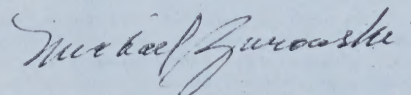
<u>From</u>	<u>To</u>	<u>Core Length</u>	<u>% Nickel</u>
95.0	115.0	20.0 feet	0.790
115.0	145.0	30.0 "	0.336
145.0	440.0	295.0 "	1.240

or taking individual sections

145.0	280.0	135.0 feet	1.110
280.0	440.0	160.0 "	1.345
360.0	440.0	80.0 "	1.915
428.5	440.0	11.5 "	5.400

Yours very truly,

SIMARD, KNIGHT & ZUROWSKI



Michael Zurovski.

MZ/g

10. Brief statement of company's chief development work during past year.	During the past year the Company carried out a program of work on its property situated in Township 1408, Abitibi Territory, Quebec, consisting of geophysical surveys, geological mapping and diamond drilling. Nine holes totalling 2,825 feet were drilled to investigate anomalies. No results of economic importance were encountered. The Company recently commenced a program of diamond drilling on mining claims situated in the Township of Langmuir, Porcupine Mining Division, Ontario.			
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None.			
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.			
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.			
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.			
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<u>Registered Holder</u>	<u>No. of Shares</u>	<u>Beneficial Owner</u>	
	Draper Dobie & Company Ltd., Toronto	1,191,400	Cons. Mogul Mines Ltd as to 814,500 shares	
	Doherty Roadhouse & McCuaig Bros. "	117,986	Not known	
	Davidson & Company, Toronto	100,000	" "	
	James Richardson & Sons, Winnipeg	79,327	" "	
	The Midland Company, Toronto	63,800	" "	
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person or persons have holdings large enough to materially affect control of the Company; however, Consolidated Mogul Mines Limited is in a position to materially affect control if it is able to obtain sufficient proxies from other large shareholders.			
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<u>No. of Shares</u>	<u>Company</u>	<u>Book Value</u>	<u>Market Value</u>
	363,940	Iron Bay Mines Limited	159,586.26	338,464.20
	55,862	Lake Osu Mines Limited	15,325.62	8,937.92
	187,675	North Coldstream Mines Limited	156,991.75	153,893.50
	228,933	Mudlac Mines Limited	751.00	no quoted value
	50,000	Sand Lake Gold Mines Limited	1.00	" "
	543,500	Cotley Mines Limited	49,089.76	" "
	\$50,000.00 p.a. Dominion of Canada - 4½% Bonds due September 1, 1983		50,000.00	46,625.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	None.			
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	See Schedule "A" on page 2.			
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	The shares of the Company are not now in the course of primary distribution to the public; however, the shares referred to in Item 6 hereof will be. There are no other material facts.			

DATED November 20, 1964.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"S.A. Perry"

McWATERS GOLD MINES, LIMITED
CORPORATE SEAL
Director

"G.D. Pattison"

Director

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

DOBIECO LIMITED

"H.W. Knight Jr."

"D.J. Coulter"